

SECRET

3 January 1980

MEMORANDUM FOR: Director of Economic Research
FROM: Director of Central Intelligence
SUBJECT: Proposed Embargo on Persian Carpets

1. At an SCC meeting on 31 December, someone suggested that we should try to embargo the importation of Persian carpets, the point being that this would hurt the small cottage industries around Iran and thus rouse the people against the policies of Khomeini.

2. I note in your intelligence assessment, "Iranian Socio-Economic Interest Groups," of November that carpet exports are "totally banned." Is this still the case? If it is not, is there anything therein that we should prohibit such imports?

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